

THEMBELIHLE MUNICIPALITY/MUNISIPALITEIT

INDEX/ INHOUDSOPGAWE	PAGE /BLADSY
1. General information/Algemene Inligting	1
2. Accounting policy / Rekeningkundige Beleid	2 – 4 5 – 7
3. Mayor's foreword/ Voorwoord van die Burgemeester	8 - 9
4. Treasurer's Report / Verslag van die Stadstesourier	10 – 14 15 – 19
5. Balance Sheet /Balansstaat	20
6. Income Statement /Inkomstestaat	21
7. Cash Flow Statement /Kontantvloeistaat	22
8. Notes to the financial Statements/ Aantekeninge tot die Finansiële State	23 – 30
9. Appendices/ Aanhangsels	
A: Accumulated Funds, Trust Funds, Reserves and Provisions Opgehoopde Fondse, Trustfondse, Reserwes en Voorsienings	31
B: External loans and Internal advances/ Eksterne Lenings en Interne voorskotte	32
C: Analysis of Fixed Assets / Ontleding van Vaste Bates	33
D: Analysis of Operating Income and Expenditure/ Ontleding van Bedryfsinkomste en Uitgawes	34
E: Detailed Income Statement/ Gedetailleerde Inkomstestaat	35
F: Statistical information /Statistiese inligting	36
G: Local Economic Development Analysis	37

ALGEMENE INLIGTING/GENERAL INFORMATION

LEDE VAN DIE STADSRAAD VAN THEMBELIHLE/MEMBERS OF THE COUNCIL OF THEMBELIHLE

Burgermeester:/Mayor:

Raadslid/Councillor: L Oliphant

Spreker:/Speaker:

Raadslid/Councillor : L Oliphant

Lede van die Raad:/Members of the Council:

Raadslid/Councillor: F Matsila

Raadslid/Councillor : B Mpamba

Raadslid/Councillor : B Oliphant

Raadslid/Councillor : G Mongale

Raadslid/Councillor : S Madikane

Raadslid/Councillor : S Phillips

Gradering van Plaaslike Owerheid:/Grading of the local Authority:

Graad /Grade - 1

Ouditeure:/Auditors:

Die Ouditeur – Generaal/Auditor General

Bankiers:/Bankers:

ABSA BANK

Cheque account 4070507030

Branch code: 630302

Geregistreerde Kantoort:/Registered Office:

Church Street

Hopetown

8750

Posadres:/Postal Address:

Private Bag X3 /Privaatsak X3

Hopetown

8750

Telefoon:/Telephone: (053) 203 0005

Faks: /Fax: (053) 203 0490

Munisipale Bestuurder:/Municipal Manager:

Mr. Z. Monakali

Approval of financial statements:

The annual financial statements for the year ended 30 June 2008 set out on pages 3 to 37 were approved by the Municipal Manager on _____ and presented to and approved by Council on _____.

Municipal Manager:

Mayor:

ACCOUNTING POLICIES

1. Basis of presentation

- 1.1 The financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice (1992) and Report on Published Annual Financial Statements (Second Edition - January 1996).
- 1.2 The financial statements are prepared on the historical cost basis and adjusted for fixed assets, as set out in accounting policy, note 3. The accounting policies are consistent with those applied in the previous year, except where otherwise indicated.
- 1.3 The financial statements are prepared according to the accrual basis:
 - Income is accrued when measurable and available to finance operations. Certain direct income, such as traffic fines and certain licenses, is accrued when received.
 - Expenditure is accrued in the year it is incurred.

2. Consolidation

The financial statements include Rates and General Services, Housing Services, Trading Services and the different funds, reserves and provisions. All interdepartmental transactions are set-off against one another, with the exception of assessment rates, electricity, refuse removal and water, which are treated as income and expenditure in the respective departments.

3. Fixed Assets

- 3.1 Fixed Assets are stated:
 - at historical cost, or
 - at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the treasurer.
- 3.2 Depreciation:

The balance shown in the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation. Apart from provisions from the various council funds, assets may also be acquired through:

 - Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income and it is therefore unnecessary to make any further provision for depreciation.
 - Grant and donation, where the amount representing the value of such a grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account.
- 3.3 All net proceeds from the sale of movable property are credited to the revolving fund. Net proceeds from the sale of all fixed assets are credited to the revolving fund.
- 3.4 Fixed assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

4. Stock

Stock is valued at the lower of cost, determined on the weighted average basis, and net realisable value.

5. Funds and reserves

5.1 Revolving Fund

The Ordinance on Revolving Funds, no 20 of 1974, requires that a local authority makes a contribution of 7,5% of the rates assessment income for the immediately preceding year or the previous year's contribution plus 20% to the fund, whichever contribution is the smallest of the compulsory contribution.

1.2 Other funds

Other funds exist for the provision of facilities to the community, repairs to capital project and provision for accumulated leave to employees who resign.

1.3 Trust Funds

Trust funds are money, which is administered by the council for a specific project. Monies on Trust funds are invested at the best possible investment rates until it is allocated. Interest earned is capitalised against the funds.

6. Provisions

Provisions are made to meet liabilities or contingencies, known at the time of the balance sheet, but for which the amounts concerned cannot be estimated with reasonable certainty. Provisions, which represent a reduction in the value of the assets concerned, are in the applicable notes deducted directly from the total of the assets concerned and are not therefore shown separately in note 12.

7. Retirement Benefits

Council and its employees contribute to the Cape Joint Pension Fund.

The retirement benefit plan is subject to the Pensions Act of 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service cost. Unfavourable experience adjustments and the cost of insurance of increased benefits is written off over the smallest of the remaining service period of employees or five years. Favourable experience adjustments are retained in the retirement benefit plan.

6. Surpluses and deficits

Any surpluses or deficits arising from the operation of electricity and water services are transferred to Rates and General Services.

7. Treatment of administration and other overhead expenses

The cost of internal support is transferred to the different services in accordance with the Institute Report on Accounting for Support Services (1990).

8. Leased assets

Payments on leased assets are recorded over the period of the leased contract.

9. Investments

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred. Investments are made in accordance with Circular no C/43/1993 of 1993 as issued by Provincial Administration - Community Service Branch.

10. Income recognition

13.1 Electricity and water billings

Meters in all areas and on plots with high voltage supply are read and billed monthly.

13.2 Assessment rates

Thembelihle Municipality applies a differential tariff rating system.. In terms of this system assessment rates are levied on the land value of the property. Discount is given based on conditions relating to age and income.

13.3 Other income

Income from services like refuse removal and sewerage, which are recouped through debtors, are recognised as soon as such services are debited against the accounts. Income from smaller services, licences or monies are recognised when they are paid.

REKENINGKUNDIGE BELEID

1. Basis van aanbidding

- 1.1 Hierdie finansiële state is opgestel om te voldoen aan die standarde neergelê deur die Instituut van Munisipale Tesouriers en Rekenmeesters in sy **Gebruikskode vir die Rekeningkunde van Plaaslike Owerhede(1992)** en die **Verslag oor die Standaardisering van die Finansiële State van Plaaslike Owerhede (jongste gewysigde uitgawe)**.
- 1.4 Die finansiële state word op die historiese kostebasis opgestel en aangepas vir vaste bates, soos uiteengesit in rekeningkundige beleid, item 3. Die rekeningkundige beleid stem ooreen met die van die vorige jaar, behalwe waar anders aangedui.
- 1.5 Die finansiële state word volgens die toevallingsgrondslag opgestel:
- Inkomste word erken wanner dit meetbaar en invorderbaar word. Sekere direkte inkomste soos verkeersboetes en sekere lisensies word erken wanneer dit betaal word.
 - Uitgawe word erken in die jaar waarin dit aangegaan word.

2 Konsolidering

Die balansstaat omsluit Belasting - en Algemene Dienste, Behuisingdienste, Handelsdienste en die verskillende fondse, reserwes en voorsienings. Alle interdepartementele transaksies word teen mekaar verreken, behalwe in die geval van eiendomsbelasting, elektrisiteit, vullisverwydering en water wat as inkomste en uitgawe in die onderskeie departemente behandel word.

3 Vaste Bates

- 3.1 Vaste bates word getoon:
- teen historiese koste; of
 - teen waardasie (gebaseer op die markprys op die datum van verkryging), waar bates deur middel van 'n toekenning of skenking verkry is, terwyl dit bestaan en geskik is vir gebruik, behalwe in die geval van massa-bates wat aan die einde van hul beraamde lewensduur, soos vasgestel deur die tesourier, afgeskryf word.
- 3.2 Waardevermindering:
- Die saldo wat teen die opskrif "Lenings Afgelos en Ander Kapitaalontvangste" in die aantekening tot die balansstaat getoon word, is gelykstaande aan 'n voorsiening vir waardevermindering. Behalwe vir voorskotte uit die verskillende raadsfondse, kan bates ook op die volgende wyse verkry word:
- Toewysings uit inkomste, waar die volle koste van die bate 'n onmiddellike en direkte heffing teen bedryfsinkomste vorm, en dit dus nie nodig is om enige verdere voorsiening vir waardevermindering te maak nie.
 - Toekenning of skenking, waar die bedrag wat die waarde van so 'n toekenning of skenking verteenwoordig, onmiddellik na die "Lenings Afgelos en Ander Kapitaalontvangste"-rekening gekrediteer word.
- 3.3 Die netto opbrengs uit die verkoop van roerende vaste bates word na die Wentelfonds gekrediteer. Indien onroerende bates soos grond en geboue verkoop word, word die netto opbrengs daarvan teen die Wentelfonds gekrediteer.
- 3.4 Kapitaalbate word uit verskillende bronne gefinansier, insluitend eksterne lenings, bedryfsinkomste en interne voorskotte. Die lenings en voorskotte word terugbetaal binne die beraamde nuttige lewensduur van die bates wat uit sodanige lenings en voorskotte gefinansier word. Rente word teen die heersende rentekoers ten tye van die toestaan van die voorskot teen die betrokke diens gedebiteer.

4 Voorraad

Voorraad word waardeer teen die laagste van koste, vasgestel volgens die geweegde gemiddelde grondslag, en die netto realiseerbare waarde.

5 Fondse en reserwes

5.1 Wentelfonds

Die Ordonnansie op die Wentelfonds, nr 20 van 1974, vereis dat 'n plaaslike owerheid 'n bydrae van 7.5% van die erfbelasting inkomste van die onmiddellik voorafgaande jaar of die vorige jaar bydrae plus 20% tot die fonds sal maak welke bydrae die kleinste die verpligte bydrae is.

5.2 Ander Fondse

Ander fondse bestaan vir die voorsiening van geriewe aan die gemeenskap, herstelwerk aan Kapitaalprojekte en voorsiening vir Opgehoopte Verlofgelde by bedanking van amptenare.

5.3 Trustfondse

Trustfondse is gelde wat deur die Raad namens 'n ander instansie geadminestreer word. Gelde op trustfondse word totdat dit aangewend word belê teen die best moontlike rentekoers. Rente verdien word teen die Fonds gekapitaliseer.

6. Voorsienings

Voorsienings word gestig om verpligtings of gebeurlikhede wat ten tye van die balansstaat bekend is, maar waarvan die betrokke bedrae nie met redelike sekerheid bepaal kan word nie, na te kom. Voorsienings wat 'n vermindering in die waarde van gepaardgaande bedryfsbates verteenwoordig, word in die betrokke aantekeninge direk van die totaal van die betrokke bates afgetrek en dus nie afsonderlik in aantekening 12 getoon nie.

7. Aftreevoordele

Thembelihle Munisipaliteit en sy werknemers dra by tot die Kaapse Gemeenskaplike Pensioenfonds. Hierdie fonds verskaf aftreevoordele aan sodanige werknemers.

Die aftreevoordeleplan is onderhewig aan die Wet op Pensioenfondse, 1956 en pensioene word bereken volgens die laaste pensioendraende vergoeding betaal. Huidige bydraes word teen Bedryfsinkomste gehef, gegrand op die huidige dienskoste. Ongunstige ondervindingsaanpassing en die koste van die versekering van verhoogde voordele word afgeskryf oor die kleinste van die oorblywende diensydperk van werknemers of vyf jaar. Gunstige ondervindingsaanpassings word in die Aftreevoordeleplan behou.

8. Oorskotte en tekorte

Enige oorskotte of tekorte wat uit die bedryf van Elektriesiteits- en Waterdienste voortspruit, word ten volle na Belasting- en Algemene Dienste oorgedra.

9. Behandeling van administratiewe en ander koste

Die koste van interne hulpdienste word, in ooreenstemming met die riglyne in die Instituut se Verslag oor die Rekeningkundige Behandeling (1990), teen die verskillende dienste gedebiteer.

10. Bates onder Bedryfshuur

Bedryfshuur ooreenkomste se tersaaklike huurbedrae word oor die tydperk van huur teen die betrokke bedryfsrekening gehef.

11. Beleggings

Beleggings word teen die laagste van koste of markwaarde getoon indien daar 'n voortdurende afname in waarde is. Beleggings word gedoen ooreenkomstig Omsendbrief nr C/43/1993 van 1993 soos uitgereik deur die Gemeenskapontwikkelingstak van Provinsiale Administrasie.

12. Inkomste-erkenning

13.1 Elektrisiteit en waterheffings

Meters in alle gebiede en op standplase met hoogspanningstoevoer word maandeliks gelees en gefaktureer.

13.2 Eiendomsbelasting

Thembelihle Munisipaliteit maak van 'n gedifferensieerde terreinwaarde-belastingstelsel gebruik. Volgens hierdie stelsel word eiendomsbelasting op die grondwaarde van eiendomme gehef. Verligting word aan behoeftige en bejaarde eienaars op grond van inkomste en ouderdom gegee.

13.4 Ander inkomste

Die inkomste van dienste soos vullisverwydering en riolering wat deur middel van debiteure verhaal word, word erken wanner sodanige heffings teen die rekenings gedebiteer word. Die inkomste uit ander (kleiner) dienste, lisensies of gelde word erken wanner dit betaal word.

FOREWORD BY THE MAYOR

The past financial period was filled with great challenges for our municipality. However, these challenges did not prevent our municipality from delivering services to our community.

The following results were attained during the financial period of 2007/2008:

1. The deficit for the year decreased from R904 001 in 2007 to R890 443 in 2008. This however resulted in the decrease in the accumulated surplus of R226 270 in 2007 to an accumulated deficit of R664 173 in 2008.
2. Consumer service debtors (after deducting Vat on debtors and provision for doubtful debts) decreased by 4.5%. Council will however intensify efforts aimed at ensuring that debtors are recovered adequately.
3. Council has also taken steps to manage expenditure by implementing adequate cashflow analysis strategies.

Council wishes to improve service delivery to all residents in Thembelihle and will take steps in ensuring that a better life is made possible to all our community members.

In conclusion, I wish to express my appreciation to my fellow Councillors, Municipal Manager, officials and community members for their support and contribution throughout the year.

L Oliphant
MAYOR

VOORWOORD DEUR DIE BURGEMEESTER

Die afgelope finansiële periode was gevul met groot uitdagings vir die munisipaliteit. Alhoewel daar uitdagings was kon die munisipaliteit nog steeds voortgaan met dienslewering aan die gemeenskap.

Die volgende resultate was bereik gedurende die 2007/2008 finansiële periode:

1. Opgehoopte tekort afgeneem vanaf R904,001 in 2007 to R890 443 in 2008. Dit het egter gelei tot'n afname in die opgehoopte surplus tot'n opgehoopte tekort van R664,173 in 2008.
2. Verbruikers debiteure het afgeneem met 4.5% Die Raad is steeds besig om stappe te verstewig om soveel debiteure in te samel, soos moontlik.
3. Die Raad het ook stappe geneem om uitgawes beter te bestuur deur die implementering van 'n doeltreffende kontant analise.

Die Raad se wens is om doeltreffende dienslewering te gee aan alle inwoners in Thembelihle en die Raad sal stappe neem wat verseker dat 'n beter lewe gegee word aan alle gemeenskap inwoners

Ten slotte wil ek my dank uitspreek teenoor die volle Raad, Munisipale Bestuurder, Amptenare en Gemeenskap vir hulle steun en bystand deur die jaar.

L Oliphant
Burgemeester

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

10

FINANCIAL MANAGERS' REPORT

Introduction

The deficit for the year decreased from R904 001 in 2007 to R890 443 in 2008. The deficit of R890 443 in 2008 however resulted in a decrease in the accumulate surplus of R226 270 in 2007 to an accumulated deficit of R664 173 in 2008.

Debtors

Trade debtors decreased from R6 396 814 in 2007 to R6 109 524 in 2008, (after deducting Vat on debtors totaling R5 389 050 and doubtful debts amounting to R6 749 692. The provision for doubtful debts remained the same in 2008.

Bank

The bank balance increased by R4 823 447 due to increase in bank and cash balance from R320 in 2007 to R1 375 914 in 2008 and the bank overdraft from R3 447 853 in 2007 to R0 in 2008.

1. OPERATING RESULTS

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2008 are as follows:

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance actual / budget %
INCOME					
Opening surplus/(deficit)	1 130 271	226 270		394 586	
Operating income for the year	12 795 819	15 592 858	21.86%	25 522 186	-38.90%
Closing surplus/(deficit)	0	0			
	13 926 090	15 819 128		25 916 772	
EXPENDITURE					
Opening deficit		0			
Operating expenditure for the year	13 650 863	16 394 054	20.10%	25 193 986	34.90%
Sundry transfers	48 957	89 247			
Closing surplus/(deficit) 226 270	226 270	-664 173		722 786	
	13 926 090	15 819 128		722 786	

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

11

FINANCIAL MANAGERS' REPORT

1.1 Rates and General Services

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance actual / budget %
Income	12 795 819	15 592 858	21.86%	25 522 186	-38.90%
Expenditure	-13 650 863	-16 394 054	20.10%	-25 193 986	34.90%
Surplus / (deficit)	-855 044	-801 196		328 200	
Surplus / (deficit) as a % of total income	-6.68%	-5.10%		1.29%	

1.2 Trading Services

The following is a summary of the operating results of the Councils trading services:

Electricity Service

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance actual / budget %
Income	3 408 177	3 140 063	-7.87%	3 906 008	-19.61%
Expenditure	3 162 886	3 306 623	4.50%	-3 543 670	6.69%
Surplus / (deficit)	245 291	-166 560	-167.90%	362 338	
Surplus / (deficit) as a % of total income	7.20%	-5.30%		9.28%	

Water Service

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance actual / budget %
Income	1 514 293	1 635 739	8.02%	1 874 849	-12.75%
Expenditure	971 230	1 274 831	31.26%	-2 007 600	36.50%
Surplus / (deficit)	543 063	360 908	-33.54%	-132 751	
Surplus / (deficit) as a % of total income	35.86%	22.06%		-7.08%	

FINANCIAL MANAGERS' REPORT

2.1 OPERATING EXPENSES

Financial controls were maintained during the year to ensure that expenditure is within budget
The following is a summary of budgeted operating expenditure against actual expenditure.

	Salaries wages & allowances R	General Expenses R	Maintenance R	Capital charges R	Contributions to Capital R	Contributions to funds R	LED R
Budget	8 868 521	8 295 559	2 478 000	541 000	3 450 906	570 000	990 000
Actual	8 398 938	5 977 548	1 662 889	113 801	107 157	89 247	133 723
Difference	469 583	2 318 011	815 111	427 199	3 343 749	480 753	856 277
% (Over)/Under	5%	28%	33%	79%	97%	84%	86%

2.2 Economic services

Cleaning and sewerage

Sewerage and cleaning closed with a surplus of R581 413 Appendix E

2.3 Subsidised services

Subsidised services closed with a deficit of R352 351 Appendix E

2.4 Community services

Community services closed with a deficit of R1 715 517 Appendix E

FINANCIAL MANAGERS' REPORT

3. CAPITAL EXPENDITURE

The expenditure on fixed assets incurred during the year amounted to R3 963 299. The expenditure on assets were financed from different funds. Actual expenditure consists of the following:

	2007 Actual R	2008 Budget R	2008 Actual R
General Administration	-	370928	0
Public Works	-	8768	0
License/traffic	-	3780000	1786367
Sewerage	-	0	0
Refuse	-	0	0
Electricity	-	-81130	2176932
Water	-	16066	0
Library	-	0	0
Municipal Buildings	-	1008	0
Sports complex	-	2134259	0
Disaster Management/Ramp bestuur	-	0	0
	<u>-</u>	<u>6 229 899</u>	<u>3 963 299</u>

A complete analysis of fixed assets and capital expenditure (budgeted and actual) per department, classification or service is included in appendix C.

Resources used to finance the fixed assets were as follows:

	2007 Actual R	2008 Budget R	2008 Actual R
Contributions from operating income	-	0	0
Contributions from funds	-	0	0
Grants and other subsidies received	-	10900643	0
Loans	-	5500000	4196495
	<u>-</u>	<u>16400643</u>	<u>4196495</u>

FINANCIAL MANAGERS' REPORT

4. EXTERNAL LOANS AND INTERNAL LOANS

External loans outstanding on 30 June 2008 amount to R4 612 041 (R462 016 in 2007) as set out in appendix B.

Internal loans outstanding on 30 June 2008 amount to R41 016 (R41 646 in 2007)

5. INVESTMENTS

Investments on 30 June 2008 amounts to R32 046 (R32 046 in 2007). Included in the indicated investment amount is bank balances for the following LED projects managed by the municipality:

	R
Bambanani Irrigation Project	-
Hopetown Sunshine Boedery	-
Growing up	2 871
Hopetown Sunshine Mills	29 175
	<u>32 046</u>

More information regarding loans and investments are disclosed in the notes (3 and 6) and appendix B and G to the financial statements.

6. FUNDS, RESERVES AND TRUST FUNDS

Funds, reserves and trust funds amount to R9 622 933 on 30 June 2008 (R5 201 292 in 2007).

The movement regarding statutory funds, reserves and trust funds is given in appendix A.

7. APPRECIATION

I would like to thank the Mayor, Councilors, Municipal Manager and the staff of my own department for the support given to me during the year.

FINANCIAL MANAGER
Mr. Niewenhuizen

DIE TESOURIER SE VERSLAG

INLEIDING

Dit is vir my aangenaam om 'n beknopte oorsig oor die afgelope finansiële jaar se bedryfsresultate te gee. Die bedryfsty van R met 'n negetiewe aanwending van R het meegebring dat die opgehoopde surplus van R toeneem na 'n surplus van R.

Debiteure

Handel debiteure het opgenem van R na R wat 'n opname van R behoel. Voorsiening vir oninbare skuld R.

Bank

Die oortrokke bank rekening het toegeneem van a saldo van R na R, 'n afname van R.

1. BEDRYFSRESULTATE

Besonderhede van die bedryfsresultate per departement, klassifikasie en soort inkomste of uitgawe word in aanhangsels D en E gegee. Die betrokke statistiek word in aanhangsel F getoon. Die algehele bedryfsresultate vir die jaar was soos volg:

	Werklik 2007 R	Werklik 2008 R	Afwyking 2007/2008 %	Begroting 2008 R	Afwyking Werklik/ Begroting %
INKOMSTE					
Begin oorskot/(tekort)	1 130 271	226 270		394 586	
Bedryfsinkomste vir die jaar	12 795 819	15 592 858	21.86%	25 522 186	-38.90%
	13 926 090	15 819 128		25 916 772	
UITGAWES					
Bedryfsuitgawe vir die jaar	13 650 863	16 394 054	20.10%	25 193 986	34.90%
Aanwendings	48 957	89 247			
Eiend oorskot/(tekort)	226 270	-664 173		722 786	
	13 926 090	15 819 128		722 786	

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

16

DIE TESOURIER SE VERSLAG

1.1 Belasting en Algemene dienste

	Werklik 2007 R	Werklik 2008 R	Afwyking 2007/2008 %	Begroting 2008 R	Afwyking Werklik / Begroting %
Inkomste	12 795 819	15 592 858	21.86%	10 216 938	22.94%
Uitgawe	-13 650 863	-16 394 054	20.10%	-12 153 673	21.78%
Oorskot/(tekort)	-855 044	-801 196		-1 936 735	15.15%
Oorskot / (tekort) as % van totale inkomste	-6.68%	-5.10%		-18.96%	

1.2 Handel Dienste

Die aankooppryse van elektrisiteit word deur ESKOM bepaal. Grootmaat water word deur bestaande kontrakte gereel. Elektrisiteit tariewe word deur NER gereguleer.

Hieronder volg opsommings van die bedryfsresultate van die twee Handelsdienste:

Elektrisiteit Dienste

	Werklik 2007 R	Werklik 2008 R	Afwyking 2007/2008 %	Begroting 2008 R	Afwyking Werklik / Begroting %
Inkomste	3 408 177	3 140 063	-7.87%	3 906 008	-19.61%
Uitgawe	3 162 886	3 306 623	9.39%	-3 543 670	6.69%
Oorskot/(tekort)	245 291	-166 560	-167.90%	362 338	
Oorskot / (tekort) as % van totale inkomste	7.20%	-5.30%		9.28%	

Water dienste

	Werklik 2007 R	Werklik 2008 R	Afwyking 2007/2008 %	Begroting 2008 R	Afwyking Werklik / Begroting %
Inkomste	1 514 293	1 635 739	8.02%	1 874 849	-12.75%
Uitgawe	-971 230	-1 274 831	31.26%	-2 007 600	36.50%
Oorskot/(tekort)	543 063	360 908	-33.54%	-132 751	
Oorskot / (tekort) as % van totale inkomste	35.86%	22.06%		-7.08%	

DIE TESOURIER SE VERSLAG

2.1 BEDRYFSUITGAWES

As gevolg van die uitstaande debiteure en ook die heersende ekonomiese klimaat was 'n streng beleid op uitgawes toegepas.

Hieronder is 'n uiteensetting van die begrote bedryfsuitgawes teenoor die werklike:

	Salarisse Lone & Toelaes R	Algemene Uitgawes R	Instand- houding R	Kapitaal Onkoste R	Bydraes na vaste bate R	Bydraes na fondse R	LED R
Budget	8 868 521	8 295 559	2 478 000	541 000	3 450 906	570 000	990 000
Actual	8 398 938	5 977 548	1 662 889	1 662 889	107 157	89 247	133 723
Difference	469 583	2 318 011	815 111	-1 121 889	3 343 749	480 753	856 277
% (Over)/Under	5%	28%	33%	-207%	97%	84%	86%

2.2 Ekonomiese Dienste

Riool en Reinigingsdienste

Riool en Reinigingsdienste het met 'n surplus van R581 413 afgesluit Appendix E

2.3 Gesubsidieerde dienste

Gesubsidieerde dienste het met 'n tekort van R352 352 afgesluit Appendix E

2.4 Gemeenskapdienste

Gemeenskapdienste het met 'n tekort van R1 715 517 afgesluit Appendix E

DIE TESOURIER SE VERSLAG

3. KAPITAAL UITGAWE

Die uitgawe wat gedurende die jaar vir die kaanskaf van vaste bate aangegaan is R3 963 299. Die werklik uitgawe bestaan uit die volgende

	2007 Actual R	2008 Budget R	2008 Actual R
Stadsadministrasie	-	370 928	0
Openbarewerke	-	8 768	0
Verkeerdienste	-	3 780 000	1786367
Riool	-	-	0
Reinings	-	-	0
Elektrisiteit	-	(81 130)	2176932
Water	-	16 066	0
Biblioteek	-	-	0
Munisipale geboue	-	1 008	0
Sports Kompleks	-	2 134 259	0
Disaster Management/Ramp bestuur	-	-	0
	<u>-</u>	<u>6 229 899</u>	<u>3 963 299</u>

Hulpbronne wat gebruik is om die vaste bates te finansier, was die volgende:

	2007 Werklik R	2008 Begroting R	2008 Werklik R
Bedryfsinkomste	-	0	0
Bydraes van fondse	-	0	0
Skenkings en subsidies	-	10 900 643	0
Interne Lenings	-	5 500 000	4196495
	<u>-</u>	<u>16 400 643</u>	<u>4196495</u>

DIE TESOURIER SE VERSLAG

4. EKSTERNE EN INTERNE LENINGS

Op 30 Junie 2008 het die uitstaande eksterne lenings R4612 041 beloop (R462 016 in 2007) en interne lenings R41 016 beloop (R41 646 in 2007).

Meer besonderhede aangaande lenings en beleggings word in aantekeninge 3 en 6 en aanhangsel B tot die finansiële state getoon.

5. BELEGGINGS

Op 30 Junie 2008 het beleggings R32 046 beloop (R32046 in 2007). Ingesluit in hierdie bedrag is bank saldo van die volgende LED projekte wat deur die munisipaliteit bestuur word:

	R
Bambanani Irrigation Projek	-
Hopetown Sunshine Meule Projek	0
Growing up	2 871
Hopetown Sunshine Boerdery Projek	29 175
	<u>32 046</u>

Meer besonderhede aangaande lenings en beleggings word in aantekeninge 3 en 6 en aanhangsel B & G tot die finansiële state getoon.

6. FONDS,RESERWES EN TRUST FONDSE

Op 30 Junie 2008 het fondse en reserwes R9 622 933 beloop (R5 201 292 in 2007)

Meer besonderhede aangaande fondse en reserwes word in aantekeninge 1 tot 2 en aanhangsel A gegee.

FINANCIAL MANAGER
Mr. GD Neuwenhuizen

(NDIP : COST & MANAGEMENT ACCOUNTING : JIMFO)

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

20

BALANCE SHEET AT 30 JUNE 2007
BALANSSTAAT OP 30 JUNIE 2007

		2008	2007
CAPITAL EMPLOYED/KAPITAAL AANGEWEND	Note/Aant.	R	R
Funds and reserves/Fondse en reserves		4 752 466	2 954 680
Statutory funds and reserves/Stature fondse en reserves	1	4 752 466	2 954 680
Accumulated surplus / Onaangewende oorskot	17	-664 173	226 270
		9 665 166	2 864 987
Trust Funds/Trust fonds	2	4 870 467	2 246 612
Long-term liabilities/Lantermyn verpligtings	3	4 528 866	378 842
Consumer deposits: services/Verbruikersdepositos: Dienste	4	265 833	239 533
		13 753 459	6 045 937
EMPLOYMENT OF CAPITAL/AANWENDING VAN KAPITAAL			
Fixed assets/Vaste Bates	5	4 467 355	504 056
Investments/Beleggings	6	-	-
Long-term debtors/Langtermyn debiteure	7	541	541
		4 467 896	504 598
Net current assets / (current liabilities)/Netto bedryfsbates/(laste)		9 285 564	5 541 337
Current assets/Bedryfsbates		16 309 797	10 735 445
Debtors/Debiteure	8	13 108 764	9 744 515
Bank and cash/Bank en Kontant		1 375 914	320
Short-term investments/Korttermyn beleggings	6	1 817 193	982 684
Short-term portion of long-term debtors/Korttermyn gedeelte van langtermyn debiteure	7	7 926	7 926
Current liabilities/Bedryfslaste		7 024 233	5 194 108
Provisions/Voorsiening	10	318 523	318 523
Creditors/Krediteure	11	3 812 986	1 344 557
Sundry credits		2 809 549	0
Short-term portion of long-term liabilities/Korttermyn gedeelte van Langtermyn lenings	3	83 175	83 175
Bank overdraft/Bankoortrekking		0	3 447 853
		13 753 459	6 045 934

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

21

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008
INKOMSTE STAAT VIR DIE JAAR GEEINDIG OP 30 JUNIE 2008

2007						
2007	2007	Actual		2008	2008	2008
Actual	Actual	surplus/		Actual	Actual	Budget
income/	expenditure/	deficit/		income/	expenditure/	surplus/
						deficit/
Werklik	Werklik	Werklik		Werklik	Werklik	Begroting
inkomste	uitgawe	oorskot/		inkomste	uitgawe	oorskot/
		(tekort)				(tekort)
R	R	R		R	R	R
7 873 349	9 516 747	-1 643 398	General Services/Algemene Dienste	10 817 056	11 812 600	-995 544
4 767 890	8 029 944	-3 262 054	Community services/Gemeenskap dienste	8 109 074	9 824 591	-1 715 517
26	299 335	-299 309	Subsidised services/Gesubsideerde dienste	159	352 510	-352 351
3 105 433	1 187 468	1 917 965	Economic services/Ekonomie dienste	2 707 823	1 635 499	1 072 324
-	-	-	Housing services/Behuising dienste	-	-	-
4 922 470	4 134 116	788 354	Trading services/Handel dienste	4 775 802	4 581 454	194 348
12 795 819	13 650 863	-855 044	TOTAL/TOTAAL	15 592 858	16 394 054	-801 196
		-48 957	Appropriations for the year (refer to note 17)/Aanwendings vir die jaar			-89 247
		-904 001	Net surplus / (deficit) for the year/Netto oorskot/(tekort) vir die jaar			-890 443
		1 130 271	Accumulated surplus / (deficit) beginning of the year/Onaangewende oorskot/			226 270
			(opgehoopte tekort) aan die begin van die jaar			
			ACCUMULATED SURPLUS / (DEFICIT) END OF THE YEAR/			
		226 270	ONAANGEWENDE OORSKOT/(OPGEHOOPTE TEKORT) VIR DIE JAAR			-664 173

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

22

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007
KONTANTFLOIESTAAT VIR DIE JAAR GEeINDIG 30 JUNIE 2007

	Aant Note	2008 R	2007 R
KONTANT GEBRUIK MET BEDRYFSAKTIWITEITE / CASH UTILISED WITH OPERATING ACTIVITIES			
		3 802 213	-5 223 473
Kontant gebruik met bedrywighede / Cash utilised with operations		9 399 934	-6 305 052
Kontant deur bedrywighede gebruik / Cash utilised by operations	18	6 848 376	(3 334 122)
Beleggingsinkomste / Investment income	16	638 009	130 411
(Toename)/afname in bedryfskapitaal / (Increase)/decrease in working c	19	1 913 549	(3 101 341)
Eksterne rente betaal / External interest paid	16	-	-
Kontantbydraes van die publiek en die staat / Cash contributions from the public and the state		-5 597 721	1 054 554
Netto opbrengs uit verkoop van vaste bates / Net proceeds on disposal of fixed assets		-	27 025
KONTANT GEBRUIK VIR BELEGGINGSAKTIWITEITE / CASH UTILISED FOR INVESTING ACTIVITIES			
		(3 963 299)	-
Bates afgeskryf / Assets written-off		-	-
Belegging in vaste bates / Investment in fixed assets		(3 963 299)	-
Netto kontantvloei gebruik / Net cash flow utilised		(161 086)	(5 223 473)
KONTANTUITWERKING VAN FINANSIERINGSAKTIWITEITE / CASH EFFECTS OF FINANCIAL ACTIVITIES			
		161 086	5 223 472
(Toename)/afname in korttermynlenings / (Increase)/decrease in short-term loans		-	-
Toename/(afname) in langtermynlenings / Increase/(decrease) in long-term	20	4 150 024	(66 374)
(Toename)/afname in kontantbeleggings / (Increase)/decrease in cash inv	21	834 509	2 644 985
(Toename)/afname in kontant / (Increase)/decrease in cash	22	-4 823 447	2 644 861
Netto kontant gebruik / Net cash utilised		161 086	5 223 472

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

23

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008	30 June 2007
	30 Junie 2008	30 Junie 2007
	R	R
1. 1.1 Statutory funds/Statutere Fondse		
Revolving Fund/Wentel Fonds	2 086 376	1 940 112
Dog Tax Fund/Honde Belasting fonds	-	-
Building Fund/Behuising fonds	856 609	856 609
<i>(Refer to appendix A for more detail)</i>	<u>2 942 985</u>	<u>2 796 721</u>
<i>(Sien aanhangsel "A" vir meer besonderhede)</i>		
1.2 Reserves/Reserwes		
Dwaff; Strydenburg	<u>1 809 481</u>	<u>157 959</u>
	<u>1 809 481</u>	<u>157 959</u>
<i>(Refer to appendix A for more detail)</i>		
<i>(Sien aanhangsel "A" vir meer besonderhede)</i>		
2 Trust Funds		
Storm water Project/Stormwater projek fonds	(17 208)	(17 208)
Sport & Recreation/Sports fonds	(809 290)	(809 290)
Amalgamation Fund/Almagamasie fonds	(0)	-
LED: Hopetown Sunshine - Mills	29 175	29 175
LED: Hopetown Sunshine - Boedery	-	-
LED: Bambanani	-	-
LED: Growing up	2 871	2 871
Strydenburg entrance road	126 301	126 301
Toevlugsoord	99 396	356 784
Library	(127 619)	10 947
Witpoort Water Aanleg	6 424	6 424
Subsidy province - projects; STRYDENBURG	4 281	(289 142)
Oxidation Dam - Strydenburg/Oksidasie Dam Strydenburg	1 051 982	1 016 402
DC Fefuse camps	208 204	208 204
LED	(128 385)	(113 916)
EPWP	(1 251 568)	(1 203 680)
VIP Toiets	5 675 903	2 922 740
	<u>4 870 467</u>	<u>2 246 612</u>
<i>(Refer to appendix A for more detail)</i>		
<i>(Sien aanhangsel "A" vir meer besonderhede)</i>		

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

24

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008 30 Junie 2008 R	30 June 2007 30 Junie 2007 R
3 Long-term liabilities/Langtermyn Verpligtings		
- DBSA	4 609 659	459 635
- INCA -ABSA	0	0
- Uniebank - ABSA	2 381	2 381
	<hr/> 4 612 041	<hr/> 462 017
Less: Current portion transferred to current liabilities/ Min: Korttermyn gedeelte	83 175	83 175
- DBSA	68 791	68 791
- INCA -ABSA	14 384	14 384
- Uniebank - ABSA	-	-
	<hr/> 4 528 866	<hr/> 378 842
<i>(Refer to appendix B for more detail)</i> <i>(Sien aanhangsel "B" vir meer besonderhede)</i>		
4 Consumer deposits: services/Verbruikers Depositos		
Water and Electricity/Water end Elektrisiteit	<hr/> 265 833	<hr/> 239 533
	<hr/> 265 833	<hr/> 239 533
5 Fixed assets/Vaste Bate		
Fixed assets beginning of the year/Vaste bate aan die begin van jaar	39 012 769	35 049 471
Capital expenditure during the year/Kapitaal uitgawe gedurende die jaar	3 963 299	3 963 299
Less: Fixed Assets sold transferred or written off/Min: Vaste bate afgeskryf, oorgeplaas of mee weggedoen	-	-
	<hr/> 39 012 769	<hr/> 35 049 471
Total fixed assets/Totale vaste bates	39 012 769	35 049 471
Less: Loans redeemed and other capital receipts/Min: Lenings afgelos end ande kapitaalontvangste	34 545 414	34 545 414
	<hr/> 4 467 355	<hr/> 504 056
Net fixed assets	<hr/> 4 467 355	<hr/> 504 056
<i>(Refer to appendix C for more information)</i> <i>(Sien aanhangsel "C" vir meer besonderhede)</i>		

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

25

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

		30 June 2008 30 Junie 2008 R	30 June 2007 30 Junie 2007 R				
6	Investments/Beleggings						
	<i>Unlisted/Ongenoteer</i>						
	Long-term deposits/Langtermyn Deposito	-	-				
	Short-term deposits/Korttermyn Deposito	1 785 146	950 637				
	Other short-term investments/Ander korttermyn deposit	32 047	32 047				
		<u>1 817 193</u>	<u>982 684</u>				
	Average rate of return on council investment -8%/ Gemiddelde opbrengskoers op die raad se beleggings - 8%						
7	Long-term debtors/Langtermyn Debiteure						
	Car loans/Motor Lenings	0	0				
	Other/Ander lenings	8 467	8 467				
		<u>8 467</u>	<u>8 467</u>				
	Less : Current portion transferred to current assets/Min: Korttermyn gedeelte in bedryfsbates	7 926	7 926				
	Car loans/Motor Lenings	0	0				
	Other/Ander Lenings	0	7 926				
		<u>541</u>	<u>541</u>				
	Car Loans						
	Senior staff are entitled to car loans which attract interest @ 8% per annur and are repayable over a period of 5 years						
	Motor Lenings						
	Hoof beamptes is geregtig vir motor lenings met 'n 8% rente koers per jaa						
	Die lenings is terugbetaalbaar oor a period van 5 jare						
8	Consumer Debtors/Debiteure						
		30 days	60 days	90 days	120 + days	Total	Total
	Service Debtors/Dienste Debiteur	684 442	309 786	271 266	13 273 632	14 539 127	12 587 144
	Water/Water	128 320	93 229	77 178	3 892 484	4 191 211	3 513 344
	Assessment Rates/Erf belasting	52 774	32 393	30 973	2 278 789	2 394 929	2 073 444
	Sewerage/Riool (Waste Water and Sanitation Fees/ Riool en Sa	124 031	85 924	83 412	3 663 140	3 956 507	5 030 341
	Refuse/Vullis	68 912	49 247	47 762	1 972 564	2 138 485	-
	Electricity/Elektrisiteit	310 405	48 994	31 940	1 466 655	1 857 994	1 970 015
	Other service debtors/Ander dienste debiteur					3 709 139	3 245 434
	Total service debtors/Totale dienste debiteur	<u>684 442</u>	<u>309 786</u>	<u>271 266</u>	<u>13 273 632</u>	<u>18 248 266</u>	<u>15 832 578</u>
	Debtors with credit balances/Debiteure met krediet saldo					<u>18 248 266</u>	<u>15 832 578</u>
	Less: VAT on debtors /Min: BTW op debiteur					5 389 050	2 686 072
	Less: Provision for bad debts/Min: Voorsiening vir oninbare skuld					6 749 692	6 749 692
						<u>6 109 524</u>	<u>6 396 814</u>
	Housing insurance - Strydenburg					20 882	
	Sundry debtors/Diverse Debiteur					202 072	155 436
	Land sales debtors					10 463	10 463
	Economic Housing Project/Ekonomie Behuise Proje					990 656	990 656
	Pixely Ka Seme District Municipality					536 398	444 571
	DBSA - Vehicle Maintenance Plar					- 8 440	- 8 440
	Rental debtors/Huur debiteure					60 379	64 166
	LeningsFondse: Kapitaal; (oor/on					22 927	22 927
	Other debit balances					2 225 335	0
	House Rent; Strydenburg					7 889	7 889
	Receiver of Revenue/Ontvanger van Inkomst					2 929 079	1 658 433
		<u>13 108 764</u>				<u>9 744 515</u>	
	No councillors consumer accounts are in arrears.						

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

26

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

		30 June 2008	30 June 2007
		30 Junie 2008	30 Junie 2007
		R	R
9	Defferred charges/Uitgestelde Koste		
	Defferred charges for the year/Uitgestelde koste vir die jaar	-	-
		<u>-</u>	<u>-</u>
10	Provisions/Voorsienings		
	Provision for leave payments/Voorsienings vir verlof betalings	318 523	318 523
		<u>318 523</u>	<u>318 523</u>
	<i>(Refer to appendix A for more information)</i>		
	<i>(Sien aanhangsel "A" vir meer besonderhede)</i>		
11	Creditors/Krediteure		
	Trade creditors /Handel krediteure	313 720	313 720
	EPWP	321	321
	MSIG	1 150 800	1 012 775
	Sport & recreation	2 780 767	-
	Suspence accounts/Afwag rekenings	-436 984	13 379
	TEST	4 362	4 362
	Debtors with credit balances/Debiteure met krediet saldo	0	0
		<u>3 812 986</u>	<u>1 344 557</u>
		<u>3 812 986</u>	<u>1 344 557</u>
12	Property Rates/Eiendoms Belasting		
		Actual Income	Actual Income
		2008	2007
		R	R
	Property valuations on 1 July 1999		
	Residential/Residentieal	0.0167	784 745
	Industrial/Besigheid	0.0167	171 855
	State/Staat	0.02	295 985
		<u>1 252 585</u>	<u>1 200 911</u>
		<u>1 252 585</u>	<u>1 200 911</u>

Valuatio

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

27

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008 30 Junie 2008	30 June 2007 30 Junie 2007
13 Councillors' remuneration/Raadlede se vergoeding	R	R
Councillors' allowances/Raadlede se toelae:	925 826	1 075 452
Travelling allowances:	266 475	341 750
Medical Aid contributions/Mediese Fonds bydrae:	0	0
Pension fund contributions/Pensioenfondse bydrae:	125 001	225 955
	<u>1 317 302</u>	<u>1 301 407</u>
Officials' Remuneration/Beampies se vergoeding		
Municipal manager:	0	201 902
Chief financial officer:	182 186	117 299
Technical Manager:	540 813	0
Corporate Services Manager/ Human Resource Manager(vacant):	330 462	-
	<u>1 053 461</u>	<u>319 201</u>
14 Contributions, levies and taxes		
SALGA:	23 366	14 607
Distict Municipality:	0	0
Pension Fund:	848 581	638 705
Medical Aid:	301 560	219 237
	<u>1 173 507</u>	<u>872 549</u>
15 Auditors' remuneration/Ouditersvergoeding		
Audit fees/Ouditgelde:	<u>290 792</u>	<u>382 611</u>
16 Finance transactions/Finansieringstransaksies		
<i>Total interest earned or paid:/Totale eksterne rente verdeen of betaal</i>		
Interest earned/Rente Verdien:	<u>638 009</u>	<u>130 411</u>
Interest paid/Rente betaal:	<u>113 801</u>	<u>0</u>
<i>Capital charges debited to operating account:/Kapitaal onkoste bydryfsrekening gedebiteer:</i>		
Interest/Rente:		
External/Eksterne:	0	0
Internal/Interne:	0	0
Redemption/Delging:		
External/Eksterne:	46 471	66 374
Internal/Interne:	630	33 214
	<u>47 101</u>	<u>99 588</u>
17 Appropriations/Aanwendings		
<i>Appropriation account/Aanwendings rekening:</i>		
Accumulated surplus / (deficit): beginning of the year/Onaangewend oorskot aan die begin van die jaar:	226 270	1 130 271
Operating surplus / (deficit) for the year/Bedryfsorskot vir die jaar:	-890 443	-855 044
Appropriations for the year/Aanwendings vir die jaar:		-48 957
Prior year adjustments/Aansuiwerings van die vorige jaar:		
- Opening difference:		
- Writing off dog tax fund/Afskrywing van honde belasting fond:		
- Writing off reserves/suspense creditors that show no movement/Afskrywing van fondse/suspense krediteur:		0
- Writing off stock/Afskrywing van voorraad bedrag:		
- Recording investment excluded in the previous year/Teboekstelling van belegging:		
- Writing off audit fees provision for the previous year/Afskrywing van audit voorsiening:		
- Writing off unknow debtors with credit balances/Afskrywing van onbekend debiteure bedra:		0
- Correction of long-term debtors balances/Restelling op langtermyn debiteur:		
- Writing back of stale cheques/Terugskrywing van verouderde tjeks:		-48 957
- Correction of diverse debtors/Regstelling van diverse debiteure bedrag:		
- Writing off of unknown debtors balances/Afskrywing van onbekend debiteur:		0
- Writing off of trust funds that show no movements/Afskrywing van trust fond:		
- Correction of previous year contributions:		0
- Income received in respect of previous year:		0
- Correction of cash suspense balance:		-
	<u>-664 173</u>	<u>226 270</u>
Accumulated surplus / (deficit): end of the year/Die oonaangewende oorskot aan die einde van:		
Operating account/Bedryfsrekening		
Contributions to/Bydrae na die volgende:		
- Provision for bad debts/Voorsiening vir oninbare skul:		-
- Revolving fund/Wentelfond:	89 247	88 373
- Leave reserve/Verlof voorsiening:		-
Contributions to fixed assets/Bydrae na vaste bate:		34 279
	<u>89 247</u>	<u>122 652</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008 30 Junie 2008 R	30 June 2007 30 Junie 2007 R
18 Cash generated by operations/Kontant diu bedrywighede voortgebring		
Surplus / (deficit) for the year/Bedryfsoorskot/(tekort) vir die jaar	-890 443	-855 044
Adjustments in respect of previous years' operating transactions/Aansuiwering t.o.v vorige jare se bedryfstransaksie:	0	-48 957
Appropriations charged against income/Aamwendings teen inkomste	16 975 287	122 652
* Capital expenditure/Kapitaal uitgawe	-	-
* Contributions to Funds & Reserve/Bydraes na fonds	16 886 040	-
* Bad Debts/Voorsiening vir oninbare skuld	-	-
* Leave provision /Verlof voorsiening	-	-
* Contribution to Revolving Fund/Bydraes na Wentelfond	89 247	88 373
* Contributions to Fixed assets/Bydraes na Vaste bato	-	34 279
Capital charges/Kapitaal onkoste	47 101	99 588
Interest Paid/Rente betaal	-	-
* External loans/Eksterne lenings	-	-
* Internal loans/Interne lenings	-	-
Redemption /Delging	47 101	99 588
* External loans/Eksterne lenings	46 471	66 374
* Internal loans/Interne lenings	630	33 214
Grants and subsidies received from the state/Skenkings ens subsidie	5 597 721	-
Investment Income/Belegging inkomste	638 009	9 719 322
Investment Income/Beleggings inkomste	638 009	130 411
Investment / Other/Beleggings ande	-	-
Non operating income/Nie-bedryfsinkomste	-	9 588 911
Sale of Erven/Verkoop van erwe	-	-
Non operating expenditure/Nie-bedryfsuitgawe	- 9 921 578	- 12 371 683
Charged against funds/teen fondse gedebitee	8 965 471	12 283 310
Non-cash flow items/Nie-kontant transaksie	956 107	88 373
Charged against provisions and reserves/Teen voorsienings en reserve gedebitee	-	-
	<u>6 848 376</u>	<u>-3 334 122</u>
19 (Increase) / Decrease in working capital/(Toename)/afname in bedryfskapitaal		
(Increase) / Decrease in debtors/(Toename)/Afname van debiteur	-3 364 249	-3 937 085
Increase / (Decrease) in creditors/(Toename)/(Afname) van krediteur	5 277 798	835 744
(Increase)/Decrease in Inventory/(Toename)/Afname van voorraad	0	0
	<u>1 913 549</u>	<u>-3 101 341</u>
20 Increase / (Decrease) in long-term loans (external)/Toename/(Afname) van lenings		
Loans received	4 196 495	-
Loan repaid	-46 471	66 374
	<u>4 150 024</u>	<u>-66 374</u>
21 (Increase) / Decrease in external cash investments/(Toename)/Decrease in eksterne beleggings		
Investments made/Beleggings gemaak	834 509	-
Investments realized/Beleggings gerealiseer	0	2 644 985
	<u>834 509</u>	<u>2 644 985</u>
22 (Increase /) Decrease in cash on hand/(Toename)/Afname in kontant op hande		
Cash balance: beginning of the year/Kontantsaldo:Begin van die jaar	-3 447 533	-802 992
Less: Cash balance: end of the year/Min:Kontant saldo:Einde van die jaar	1 375 914	3 447 853
	<u>-4 823 447</u>	<u>2 644 861</u>

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

29

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008 30 Junie 2008	30 June 2007 30 Junie 2007
	R	R
23. Retirement Benefits/Aftreevoordele		
The officials are members of SALA, Cape Joint Pension and Retirement Fund, Imatu and SAMWU. Councillors are members of the Cape Joint Pension, Municipal Councillor Pension Funds and Retirement Fund. The actual valuation can be obtained on request.		
Die personeel is lede van SALA,CAPE JOINT Pensioen en Aftree fonds, Imatu and SAMWU. Raadslede is lede van Cape Joint Pensioen en Aftreefonds. Die werklike waardasie kan aangevra word.		
24. Contingent liabilities and contractual obligations/ Voorwaardelike aanspreeklikheid en kontraktuele verpligtings		
The Council has the following contingent liabilities and contractual obligations/ Die raad het die volgende kontraktuele verpligtings:	86 341	5 500 000
25. Capital commitments/Kapitaalverpligtinge		
Commitments in respect of capital expenditure/ Verpligtings t.o.v kapitaal uitgawe:		
Approved and contracted/Goedgekeurde end gekontrakteer	-	-
Approved but not contracted/Goedgekeurde maar nog nie gekontrakteer nie	-	-
	-	-
This expenses will be financed from:/Hierdie uitgawe sal gefinansier word uit		
- Interne bronne/Internal sources	-	-
- Eksterne bronne/External sources	-	-
	-	-

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

30

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
AANTEKENING TOT DIE FINANSIELE STATE OP 30 JUNIE 2008

	30 June 2008 30 Junie 2008 R	30 June 2007 30 Junie 2007 R
26. Revolving Fund/Wentelfonds		
Outstanding advances to borrowing services/	-	-
Accumulated Funds	<u>2 086 375</u> 2 086 375	<u>1 940 112</u> 1 940 112
Less: Internal advances to borrowing services	<u>41 016</u> <u>2 045 359</u>	<u>41 646</u> <u>1 898 466</u>

(Refer to appendix A & B for more details)
(Sien aanhangsel "A & B" vir meer besonderhede)

APPENDIX B/AANHANGSELB

EXTERNAL LOANS AND INTERNAL ADVANCES
EKSTERNE LENINGS EN INTERNE VOORSKOTE

	Loan period/	Interest rate/	Final payment/	Balance on/	Received	Redeemed or	Balance on/
	Lening period	Rente koers	Finale paaiement	Saldo op	during	written of during	Saldo op
EXTERNAL LOANS/EKSTERNE LENING				01/07/2007	the year/	the year/	30/06/2008
				<u>R</u>	Ontvang gedurende	Delging of afgeskryf	
					die jaar	gedurende die jaar	
DBSA	15, 20 & 30yrs	13.45% & 16%		459 635	4 196 495	46 471	4 609 659
INCA- ABSA		18%		-			-
Uniebank -ABSA annuity loan		18%		2 381			2 381
				<u>462 016</u>	<u>4 196 495</u>	<u>46 471</u>	<u>4 612 041</u>

				Balance on/	Received	Redeemed or	Balance on/
				Saldo op	during	written of during	Saldo op
INTERNAL LOANS/INTERNE LENING				01/07/2007	the year/	the year/	30/06/2008
				<u>R</u>	Ontvang gedurende	Delging of afgeskryf	
					die jaar	gedurende die jaar	
Internal Advances	15yrs	0% & 4%		41 646		630	41 016
				<u>41 646</u>	<u>-</u>	<u>630</u>	<u>41 016</u>

TOTAL/TOTAAL

503 662 4 196 495 47 101 4 653 057

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

33

APPENDIX C: ANALYSIS OF FIXED ASSETS
AANHANGSEL C: ONTLEDING VAN VASTE BATES

Expenditure/		Budget/	Balance on/	Expenditure during the year/	Redeemed, transferred or written off/	Balance on/
Uitgawe		Begroting	Saldo op	Uitgawe gedurende die jaar	Gedelg, oorgeplaas of afgeskryf	Saldo op
2007	Service/Dienste	2008	01/07/2007			30/06/2008
R	RATES AND GENERAL SERVICES/BELASTING EN ALGEMENE DIENSTE	R	R	R	R	R
-		6 294 963	16 695 320	1 786 367.00	-	18 481 687
-	Community services/Gemeenskap dienste	6 294 963	13 871 188	1 786 367.00	-	15 657 555
-	Museum		1 200	-	-	1 200
-	General Administration/Administrasie	370 928	4 401 380	-	-	4 401 380
-	Disaster Management/Ramp bestuur	-	3 816	-	-	3 816
-	License/traffic/Vekeerdienste	3 780 000	7 837	1 786 367.00	-	1 794 204
-	Public works/Openbare werk	8 768	4 315 005	-	-	4 315 005
-	Council General Expenses/Raad se algemene Uitgawe		691 549	-	-	691 549
-	Sports Complex/Sports Kompleks	2 134 259	3 808 559	-	-	3 808 559
-	Ground & Buildings/Grond en Geboue	1 008	97 772	-	-	97 772
-	Townlands		446 270	-	-	446 270
-	Parks & Recreation/Park en ontspanning		97 800	-	-	97 800
-	Subsidised services/Gesubsideerde dienste	-	746 949	-	-	746 949
-	Ambulance/Ambulans		75 635	-	-	75 635
-	Fire Brigade/Brandweer		12 496	-	-	12 496
-	Library/Biblioteek	-	55 897	-	-	55 897
-	Community Facilities/Gemeenskap fasiliteite		597 916	-	-	597 916
-	Health/Gesondheid		5 005	-	-	5 005
-	Economic services/Ekonomiese dienste	-	2 077 183	-	-	2 077 183
-	Refuse/Reininging	-	320 938	-	-	320 938
-	Sewerage/Rioolering		1 756 245	-	-	1 756 245
-	HOUSING SERVICES/BEHUISSING DIENSTE	-	1 459 190	-	-	1 459 190
-	Economic housing/Ekonomiese behuising		1 459 190	-	-	1 459 190
-	TRADING SERVICES/HANDELSDIENSTE	(65 064)	16 894 960	2 176 932	-	19 071 892
-	Electricity/Elektrisiteit	(81 130)	5 741 863	2 176 932	-	7 918 795
-	Water	16 066	11 153 097	-	-	11 153 097
-	TOTAL FIXED ASSETS/TOTALE VASTE BATE	6 229 899	35 049 470	3 963 299	-	39 012 769
	LESS: LOANS REDEEMED AND OTHER CAPITAL RECEIPTS/		34 545 414	-	-	34 545 414
	MIN:LENINGS AFGELOS EN ADNER KAPITAALONVANGSTE					
	Loans redeemed and Advances repaid/Lenings gedelg en voorskotte terugbetaal		2 346 532	-	-	2 346 532
	Contributions from Operating Income/Bydraes uit bedryfinkomste		3 443 481	-	-	3 443 481
	Contributions from other sources/Ander bydraes		6 412 983	-	-	6 412 983
	Contributions from Public/Bydraes van die publiek		-	-	-	-
	Grants and Subsidies/Skenkings en subsidies		22 342 418	-	-	22 342 418
	NET FIXED ASSETS		504 056	3 963 299	-	4 467 355

THEMBELIHLE MUNICIPALITY
30 JUNE 2008

APPENDIX D
AANHANGSEL D
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
ONTLEDING VAN BEDRYFSINKOMSTE EN UITGAWE

2007 Actual/ Werklik R		2008 Actual/ Werklik R	2008 Budget/ Begroting R
INCOME/INKOMSTE			
2 095 190	Grants and subsidies/Skenking en subsidies	5 597 720	11 330 643
2 095 190	- Equitable share/	4 395 579	4 824 132
-	- Less allocated to debtors/	0	0
-	Councillor Remuneration		453 369
-	- MFMG (FMG)?	500 000	500 000
-	-MSIG		734 000
	Provincial grants		1 017 000
	Other grants		850 000
	MIG PROJECTS	702 142	2 952 142
10 700 629	Operating income/Bedryfsinkomste	9 995 137	14 191 543
1 512 581	- Sale of water/Verkoop van water	1 635 739	1 759 849
3 343 633	- Sale of electricity/Verkoop van elektrisiteit	3 140 063	3 739 008
698 750	-Refuse removal/Reniniging	794 288	1 501 000
1 259 575	-Sewerage /Rioolering	1 422 624	1 702 500
1 147 108	-Licenses & traffic/Verkeerdienste	490 911	291 700
1 189 966	-Assessment Rates/Belasting	1 252 585	2 550 000
0	-Interest/Rente	638 009	823 000
	LED Allocation	106 422	871 152
1 549 016	-Other income/Ander inkomste	514 496	953 334
12 795 819	TOTAL/TOTAAL	15 592 859	25 522 186
EXPENSES/UITGAWE			
6 447 464	Salaries, wages and allowances/Salarisse,lone en toelaes	8 398 938	8 868 521
5 148 578	General expenses/Algemene Onkoste	5 977 548	8 295 559
2 191 300	- Purchase of electricity/Aankoop van elektrisiteit	2 113 318	2 220 000
77 743	- Purchase of water/Aankoop van water	50 797	60 000
2 879 535	- Other general expenses/Ander algemene onkoste	3 813 433	6 015 559
1 854 326	Repairs and maintenance/Herstel en onderhoud	1 662 889	2 478 000
75 646	Capital charges/Kapitaal onkoste	113 801	541 000
34 279	Capital outlay/Bydraes tot vaste bate	107 157	3 450 906
88 373	Contributions to funds/Bydraes	89 247	570 000
2 198	LED	133 723	990 000
13 650 864	Gross expenditure/Bruto uitgawe	16 483 303	25 193 986
-	Less: Amounts charged out/Min:Bedrae uitgedebiteer	-	-
-855 045	NET SURPLUS/NETTO OORSKOT	(890 444)	328 200

APPENDIX E
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual income	2007 Actual expenditure	2007 Actual surplus / deficit		2008 Actual income	2008 Actual expenditure	2008 Actual surplus / deficit	2008 Budget surplus / deficit
Werklik inkomste	Werklik uitgawe	Werklik oorskot/ tekort		Werklik inkomste	Werklik uitgawe	Werklik oorskot/ tekort	Begroting oorskot/ tekort
R	R	R		R	R	R	R
7 873 349	9 516 747		RATES AND GENERAL SERVICES/BELASTING EN ALGEMENE DIENSTE	15 592 858	16 394 054	-801 196	98 613
4 767 890	8 029 944	-3 262 054	Community services/Gemeenskap dienste	8 109 074	9 824 591	-1 715 517	-2 712 723
3 156 128	3 584 030	-427 902	General Administration/Algemene Administrasie	4 395 579	2 693 904	1 701 675	2 330 078
0	1 793 889	-1 793 889	Council Expenses/Raadsuitgawes	-	1 570 258	-1 570 258	-1 954 918
0	0	0	Municipal Manager/Munisipale Bestuurder	-	203 136	-203 136	-518 200
0	0	0	Finance/Finansies	1 138 009	1 776 690	-638 681	-1 780 405
52 130	1 947 692	-1 895 562	Public Works/Openbare werke	725 024	3 202 162	-2 477 138	-747 813
234 219	351 326	-117 107	Fixed property & Municipal Buildings/Munisipal geboue	-	131 447	-131 447	-9 711
0	101 686	-101 686	IDP/LED/GOP/PEO	106 422	222 348	-115 926	-2 515 154
135 447	249 990	-114 543	Community Centres/Gemeenskapssentrums	491 455	24 645	466 810	-66 600
1 189 966	1 331	1 188 635	Income From Rates (Assessment Rates/Eiendomsbelasting)	1 252 585		1 252 585	2 550 000
26	299 335	-299 310	Subsidised services/Gesubsideerde dienste	159	352 510	-352 351	644 996
26	284 377	-284 351	Library/Biblioteek	159	336 455	-336 296	43 746
0	14 959	-14 959	Fire Protection/Disaster Management/Brandweer end Rampbestuur	-	16 055	-16 055	601 250
0	0	0	Cemetery/Begraafplaas			0	
						0	
3 105 433	1 187 468	1 917 966	Economical services	2 707 823	1 635 499	1 072 324	2 166 340
1 259 575	736 507	523 068	Sewerage/Rioolering	1 422 624	1 212 951	209 673	516 700
698 750	450 090	248 660	Refuse Removal/Reniniging	794 288	422 548	371 740	1 650 500
1 147 108	870	1 146 238	Licencing & Traffic/Verkeerdienste	490 911	-	490 911	-860
			HOUSING SERVICES/BEHUISING DIENSTE				0
0	0		Housing/Behuising	0	0	0	0
4 922 470	4 134 116	788 354	TRADE SERVICES/HANDEL DIENSTE	4 775 802	4 581 454	194 348	229 587
3 408 177	3 162 886	245 291	Electricity/Elektrisiteit	3 140 063	3 306 623	-166 560	362 338
1 514 293	971 230	543 063	Water	1 635 739	1 274 831	360 908	-132 751
12 795 819	13 650 863	-855 044	TOTAL/TOTAAL	15 592 858	16 394 054	(801 196)	328 200
		-48 957	Appropriations for the year (refer to note 17)/Aanwending vir die jaar			-89 247	
		-904 001	Net surplus / (deficit) for the year/Neeto oorskot/(tekort) vir die jaar			-890 443	
		1 130 271	Accumulated surplus / (deficit) beginning of the year/Onaangewende oorskot/(opgehoopte tekort)			226 270	
			ACCUMULATED SURPLUS / (DEFICIT)/END OF THE YEAR/ONAANGEWEDE OORSKOT/ (OPGEHOOPTE TEKORT) AAN DIE EIND VAN DIE JAAR			-664 173	

THEMBELIHLE MUNICIPALITY
36 30 JUNE 2008
AANHANGSEL F/APPENDIX F

	2007/2008
Algemene statistiek/General statistic	
Bevolking/Population	13988
Aantal geregistreerde kiesers/Registered voters	7092
Totale waardasies/Valuations	
- Belasbaar /Taxable (R'000)	R63600300
- Nie - belasbaar/Non-taxable (R'000)	R3100
- Residensieel/Residential (R'000)	R39847030
- Kommersieel/Commercial (R'000)	R8724850
Waarderingsdatum/Valuation date: 1Julie 1999	
Aantal persele/Number of erven:	
- Residensieel /Residential	1623
- Kommersieel /Commercial	88
Eiendomsbelastingkoers/Assessment rate	R.02
- Basies (per rand)	
- Korting: residensieel/Discount: residential	
Aantal werknemers/Number of employees	78
Elektrisiteitstatistiek/Electricity statistics	
Eenhede (kWh) aangekoop ('000)/Units (kWh) purchased	0
Eenhede (kWh) verkoop ('000)/Units (kWh) sold ('000)	7110370
Eenhede (kWh) verlore gegaan met verspeiding/	0
Unit (kWh) lost with distribution	
Persentasie verlies met verspreiding/Presentation loss	0%
Koste per eenheid verkoop/Cost per unit sold	
Inkomste per eenheid verkoop/Income per unit sold	
Waterstatistiek/Water statistics	
Kl gepomp/Kl pumped	0
Kl verkoop/Kl sold	486751
Kl verlore gegaan met verspreiding/Kl distribution loss	0
Persentasie verlies met verspreiding/Presentation loss	0%
Koste per Kl verkoop/Cost per Kl sold	
Inkomste per kl verkoop/Income per kl sold	

Annexure/ Aanhangsel G**LOCAL ECONOMIC DEVELOPMENT PROJECTS
INCOME AND EXPENDITURE ANALYSIS**

	Hopetown Sunshine - Boerdery	Hopetown Sunshine - Mills/Meule	Bambanani Irrigation project	Growing up Project
Opening balance	-	29 175	-	2 871
Annual allocation from grant received/Jaarliks toekening van subsidie				
Grant received/Subsidie ontvang				
Operational and other income/ Bedryfs inkomste en ander inkomste	-	-	-	-
Operational expenses incurred/Bedryfs uitgawes	-	-	-	-
Capital/Start up expenses incurred/Kapitaal uitgawes				
Transfer to municipal current account	-	-	-	-
Closing balance as at 30 June 2008/Eiend saldo op 30 Junie 2008	-	29 175	-	2 871

The following projects have been established by the municipality in addressing local economic development. These projects are to the benefit of the beneficiaries/employees, but was being managed by the municipality. The businesses are now fully functioning and thereof has been transferred to the beneficiaries. These projects are operating from their own bank accounts, which have being included in the municipality's records as investments, see note 6 to the financial statements.